



Consumer Information

Congestion Pricing

Congestion pricing provides a disincentive to driving by imposing fees in congested areas which vary depending on location, time or vehicle occupancy. These fees are intended to reduce congestion and improve air quality by encouraging people to change their travel patterns: shifting to off-peak periods, less congested travel routes, higher occupancy vehicles, or a different mode of transport (e.g., public transit, walking, bicycling).

What is congestion pricing?

Congestion pricing refers to fees charged for driving on specific roadways during times of dense traffic. It serves to encourage drivers to consider alternatives to driving alone (ride sharing), alternatives to driving (e.g., public transit, walking, bicycling), different routes, or different travel times. A congestion fee may be more or less expensive depending on location, time of day, or the number of passengers in a vehicle. Congestion pricing strategies fall under the jurisdiction of and are implemented by municipal, regional or state governments.

Significance

Air pollution remains a problem for many areas across the country, even though vehicles have become cleaner through technological innovation. As regional, state, and local officials work to reduce mobile source air pollution, the federal government, industry, and public interest organizations continue to identify alternative methods that have the potential to reduce air pollution from mobile sources. Congestion pricing measures are some of those options that use the market, rather than regulatory

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directives, to encourage the reduction of polluting activities or the increase of less-polluting alternatives.

The goal of congestion pricing policies is to mitigate traffic congestion and improve air quality. Congestion pricing strategies are designed to shift travel to alternative modes, routes, destinations and/or time of day. Some of these transportation modes and temporal travel shifts lead to reduced vehicle trips and miles traveled, as well as improved traffic flow or speeds.

Theoretically, emissions will be reduced somewhat from congestion pricing measures because the imposed fees will result in some current drivers switching from driving alone to car pooling or utilizing mass transit. Thus, there will be fewer overall miles driven, which directly eliminates the emission of harmful pollutants. The fewer miles that are driven during peak hours (rush hour), the more traffic congestion is reduced, which results in less idling. Idling is known to contribute significantly to air pollution (e.g., carbon monoxide emissions and smog).

In addition to goals of alleviating congestion problems and improving air quality, other factors have led transportation authorities and air quality regulators to consider congestion pricing measures. These include continuing trends in metropolitan travel demand growth, the recognition that construction of new road capacity may not always be feasible or desirable, the development of new electronic tolling technologies with potential to greatly reduce implementation costs, and the need for new infrastructure investment revenue sources.

Additional Benefits

Besides improving air quality and reducing congestion, other environmental and financial benefits may result from congestion pricing policies. In terms of environmental benefits, both oil and fuel consumption are reduced. Potentially, drivers have the opportunity to save time and money. Drivers that choose to pay higher congestion fees in order to access less congested roadways such as high occupancy vehicle lanes (HOV) will save time due to more free flowing traffic. People who decide to forgo driving altogether and opt to use mass transit will save money due to reduced or eliminated vehicle operation and maintenance costs. Additionally, as more people switch to mass transit, more revenue

will be generated that may be used for transportation improvements. Congestion pricing also has the virtue of charging more of the costs of building new road capacity to those who create the demand, rather than charging drivers in general or charging all taxpayers, regardless of whether they drive at all or use the congested facilities.

Some Concerns

Although congestion pricing has the potential to be a way of apportioning the use of limited metropolitan road space and to be a cost-effective strategy to reduce mobile source air emissions and energy consumption, many local and regional government officials have been reluctant to implement congestion pricing measures because of institutional barriers and the lack of political acceptance. Critical political and institutional issues include public opposition to any new taxes or fees, geographic and economic equity concerns, lack of regional transportation coordination, and the lack of alternatives to driving alone during peak traffic periods.

For Further Information

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This fact sheet and additional information on transportation and air quality are available electronically from the EPA Internet World Wide Web (WWW) site at:

<http://www.epa.gov/OMSWWW/transp.htm>